

Info Capsule

Friday, November 17, 2023

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❖ Latest @ ICSI

Feedback on Company Forms in MCA21-V3 Portal

As you are aware, the Ministry of Corporate Affairs w.e.f. August 31, 2022 migrated filing of 9 Company Forms from MCA 21 V2 to V3 Portal.

The Ministry of Corporate Affairs w.e.f. January 23, 2023, has launched second set of Company Forms covering 56 forms on MCA21-V3 Portal for filing purposes. The list of all 56 Company Forms is available on MCA website.

The Institute of Company Secretaries of India, in its attempt to further facilitate the stakeholders and ensure smooth transition and implementation, is sharing your feedback to the Ministry of Corporate Affairs (MCA) on regular basis. Such feedback is constantly and closely monitored by MCA at all levels for timely resolution.

We request you to share your inputs/issues/suggestions on filing of Company Forms in MCA V3 at the link given below:

<https://forms.gle/m5NGoCbt4TibuD196>

We thank you for your continued support and hope for association in the future as well.

❖ Insolvency and Bankruptcy Board

Lenders look to derisk promoter guarantees, implementing negative liens to safeguard assets (November 16, 2023)

Indian lenders will now insist that a negative lien is created on the assets underlying personal guarantees given by promoters of companies raising bank loans, said people at advisory firms. The move is aimed at preventing them from transferring these personal assets to a special trust, which may be bankruptcy remote. This move by banks follows the recent landmark Supreme Court order that upheld the constitutional validity of recovery provisions against personal guarantors under the Insolvency and Bankruptcy Code (IBC). In practice, lenders insist on personal guarantees from promoters of small and medium companies while large borrowers, leveraging their heft, have stopped providing these guarantees long ago.

For details:

https://economictimes.indiatimes.com/industry/banking/finance/banking/lenders-look-to-derisk-promoter-guarantees-implementing-negative-liens-to-safeguard-assets/articleshow/105246214.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

❖ **Business and Economics News**

- **Paytm partners with global travel technology company Amadeus to redefine travel experience with Artificial Intelligence (November 16, 2023)**

One97 Communications Limited (OCL) that owns the brand Paytm, India's leading payments and financial services company and the pioneer of QR and mobile payments, announced a partnership with global travel technology company Amadeus. Under this collaboration, for the next three years, the company will integrate Amadeus's expansive travel platform, enhancing the travelers' experience from search to booking, and finally to payment.

For details:

<https://indiatechnologynews.in/paytm-partners-with-global-travel-technology-company-amadeus-to-redefine-travel-experience-with-artificial-intelligence/>

- **RBI approves appointment of Isha Ambani, Anshuman Thakur, Hitesh Sethia as directors of Jio Financial Services (November 16, 2023)**

The Reserve Bank of India (RBI) has approved the appointment of Isha Ambani, Anshuman Thakur and Hitesh Kumar Sethia as directors of Jio Financial Services.

"This approval is valid only for six months from the date of this letter. In case the company fails to give effect to the proposal within this time frame, it will have to apply again with reasons for having failed to effect the change on the earlier occasion," the RBI letter to the company stated.

For details:

<https://www.businesstoday.in/latest/corporate/story/rbi-approves-appointment-of-isha-ambani-anshuman-thakur-hitesh-sethia-as-directors-of-jio-financial-services-405953-2023-11-16>

❖ **Pronouncement**

09.11.2023	<i>Maharashtra State Electricity Distribution Company Limited (Appellant) v. Ratnagiri Gas and Power Private Limited & Ors. [Respondent(s)]</i>	<i>Supreme Court</i>
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A deviation from the plain terms of the contract is possible when it serves business efficacy better

In this case, in order to resolve the issue of non-payment of fixed charges, the first respondent filed a petition under Section 79 of the Electricity Act 2003 inter alia seeking the resolution of the issue of shortfall of domestic gas. Central Electricity Regulatory Commission (CERC) allowed the above petition and held the appellant liable to pay fixed capacity charges. CERC's decision was upheld by Appellate Tribunal For Electricity (APTEL). Later, the appeal was filed before the Hon'ble Supreme Court.

The issue arose before the Supreme Court for consideration was whether the CERC and APTEL were justified in affixing liability to pay fixed charges on the appellant. The dispute primarily turns on the terms of the Power Purchase Agreement (PPA). For the reasons stated hereafter, we answer the issue in the affirmative.

The Apex Court said that a commercial document cannot be interpreted in a manner that is at odds with the original purpose and intendment of the parties to the document. A deviation from the plain terms of the contract is warranted only when it serves business efficacy better. The appellant's arguments would entail reading in implied terms contrary to the contractual provisions which are otherwise clear. Such a reading of implied conditions is permissible only in a narrow set of circumstances.

❖ **Market Watch**

Stock Market Indices as on 17.11.2023	
S & P BSE Sensex	65794.73 (-187.75)
Nifty 50	19731.80 (-33.40)

Foreign Exchange Rates as on 17.11.2023 (https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
83.26	90.36	103.38	.5528

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu,

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